



POPULATION NOTES

Strong Income Growth in Minnesota

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Surging from the middle of the pack, Minnesota posted some of the strongest income gains in the nation and now ranks among the national income leaders. Within Minnesota, most regions had growth in real income. The incomes of wealthier and poorer counties converged. Though suburban counties in the Minneapolis-St. Paul area continue to have the highest incomes, the greatest gains were posted in rural counties with lakes or American Indian casinos.

Minnesota ranks 11th in median income

Median household income in Minnesota was \$47,111 in 1999, substantially above

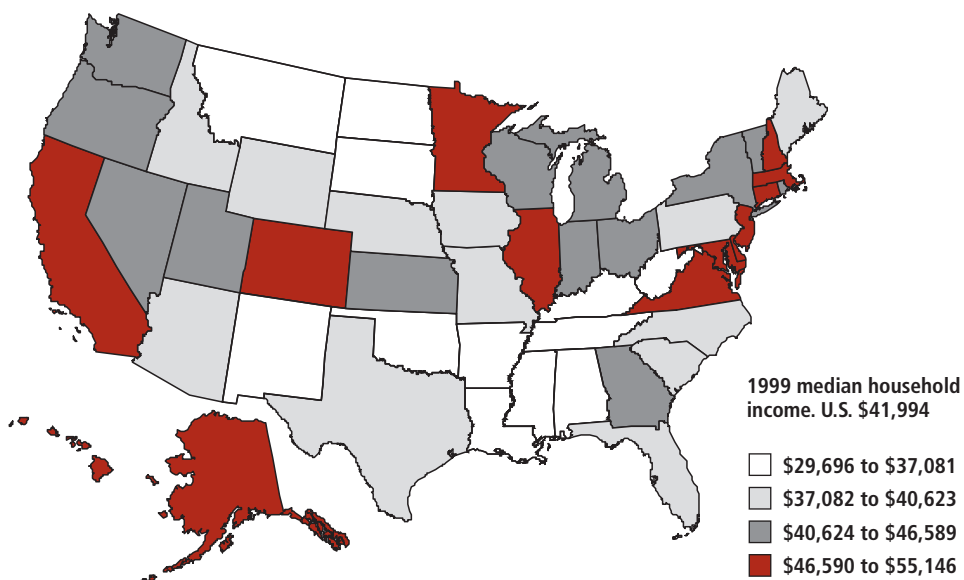
the national average of \$41,994. Minnesota ranked 11th among states and was the leader in the Midwest region. Nationally, the highest incomes were found in Eastern states such as New Jersey (\$55,146), Connecticut (\$53,935), Maryland (\$52,868), Massachusetts (\$50,502), New Hampshire (\$49,467) and Delaware (\$47,381); and the Western and Pacific states of Alaska (\$51,571), Hawaii (\$49,820) and California (\$47,493). West Virginia had the lowest income, \$29,696.

Incomes of wealthier and poorer states grew closer together between 1990 and 2000. Income growth tended to be lower in states that had the highest incomes in 1990.

Southern and Midwestern states with more modest 1990 incomes had greater-than-average growth. As a result, the ratio of the highest to the lowest state income fell from 2.07 to 1.86.

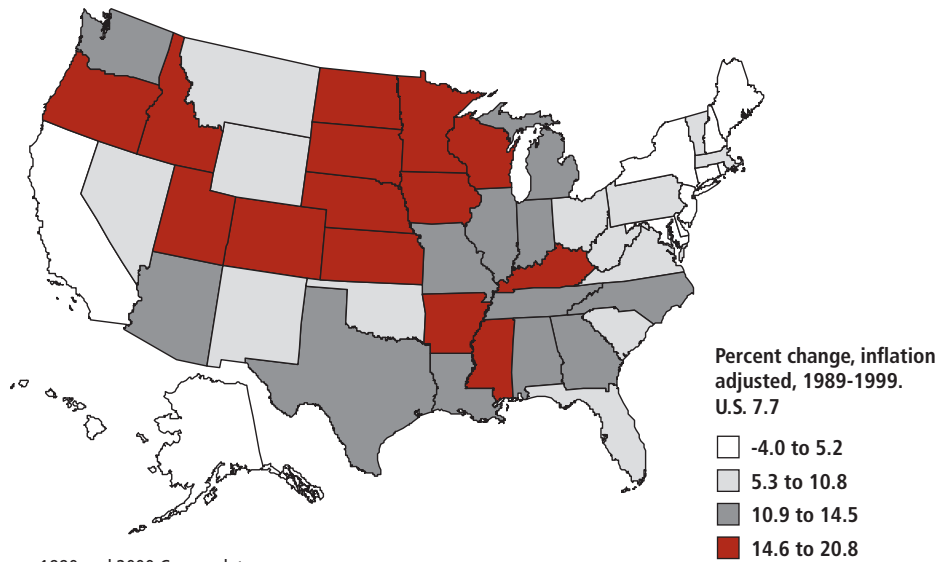
Inflation-adjusted median household income in Minnesota went up 17.4 percent between 1989 and 1999, the fifth-highest rate of increase in the country. Minnesota trailed only South Dakota (20.8 percent), Colorado (20.7 percent), Mississippi (19.9) and Utah (19.6) in percent growth in income. At the other end of the spectrum, Alaska, Hawaii and Connecticut experienced declines in inflation-adjusted income.

Minnesota is among the national income leaders



Source: 2000 Census data

Minnesota ranks high in household income growth



average, reservations experienced large income gains in the 1990s. For example, median household income increased almost tenfold in the Prairie Island Indian Community, 68 percent on the Grand Portage Reservation, 85 percent on the White Earth Reservation, 82 percent on the Leech Lake Reservation, and 245 percent on the Mille Lacs Reservation.

Incomes highest in suburban areas

Despite strong income growth outside the Twin Cities area, these counties continue to lag well behind their urban counterparts. For example, even though Mahnomon County had the highest rate of income growth, it still ranked last with a median household income of \$30,053 in 1999. Generally incomes were lowest in the western half of the state, highest in the Twin Cities area, and intermediate in the northeast and in the counties just beyond the Minneapolis-St. Paul metropolitan area.

Low-income areas see greatest growth

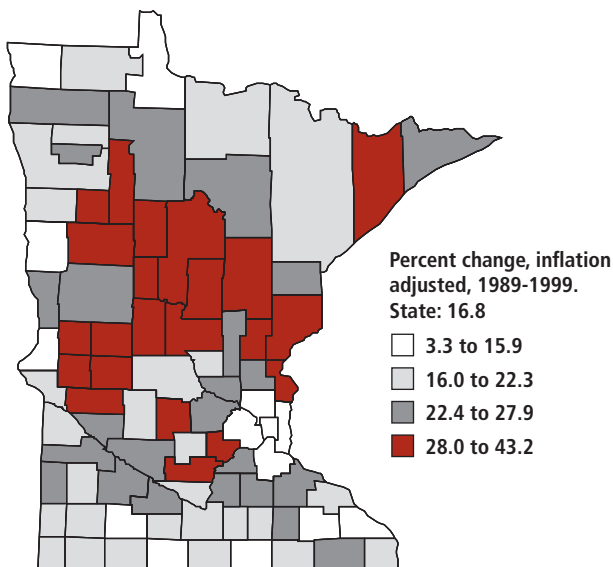
Within Minnesota, incomes rose faster in areas of historically lower income than in more affluent areas. The greatest household income growth, in inflation-adjusted dollars, occurred in Swift County (43 percent), followed

by Cass (41), Aitkin and Mahnomon (37) and Pope and Wadena (36 percent). Swift County opened a private prison and had expansion at a farm equipment manufacturer. In Mahnomon County, home of the White Earth Reservation, a new casino provided employment opportunities for area residents.

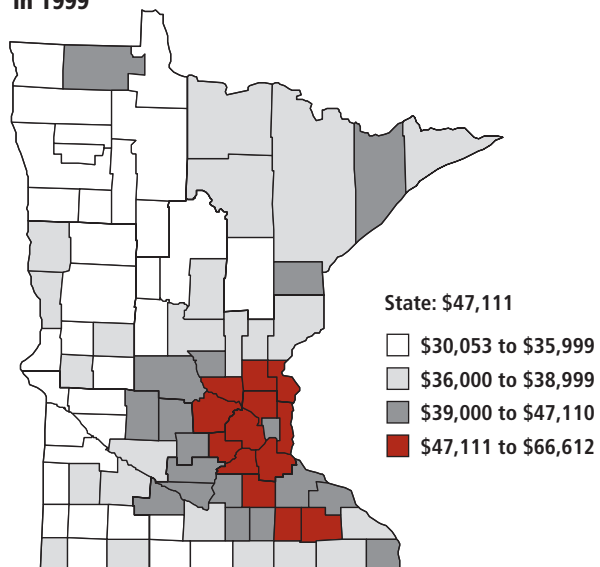
Other counties with the largest rates of income gain are in the lakes region of North Central Minnesota where a boom in recreation and second homes has contributed to strong population growth.

Though incomes on most American Indian reservations remain below the state

Household income growth strong in north central region



Median household incomes highest in Twin Cities area in 1999



Minnesota county income, 1999

	1999 median household income	1999 median family income	1999 Per capita income	Percent change in income 1989-1999, inflation-adjusted:		
				Median household	Median family	Per capita
Minnesota	\$47,111	\$56,874	\$23,198	17.4	18.7	24.2
Aitkin	\$31,139	\$37,290	\$17,848	36.6	35.1	48.2
Anoka	\$57,754	\$64,261	\$23,297	11.0	15.3	23.3
Becker	\$34,797	\$41,807	\$17,085	28.2	28.9	33.1
Beltrami	\$33,392	\$40,345	\$15,497	23.0	23.7	33.6
Benton	\$41,968	\$51,277	\$19,008	21.5	23.7	32.9
Big Stone	\$30,721	\$37,354	\$15,708	22.0	20.5	26.4
Blue Earth	\$38,940	\$50,257	\$18,712	18.3	19.0	29.6
Brown	\$39,800	\$49,811	\$19,535	22.5	25.1	33.9
Carlton	\$40,021	\$48,406	\$18,073	23.8	23.5	28.0
Carver	\$65,540	\$73,577	\$28,486	28.9	30.2	36.2
Cass	\$34,332	\$40,156	\$17,189	41.2	40.5	47.3
Chippewa	\$35,582	\$45,160	\$18,039	23.3	27.2	25.6
Chisago	\$52,012	\$57,335	\$21,013	28.1	25.4	29.3
Clay	\$37,889	\$49,192	\$17,557	12.8	14.9	24.8
Clearwater	\$30,517	\$39,698	\$15,694	32.5	41.8	44.7
Cook	\$36,640	\$47,132	\$21,775	23.2	30.4	39.0
Cottonwood	\$31,943	\$40,237	\$16,647	13.6	15.9	24.1
Crow Wing	\$37,589	\$44,847	\$19,174	30.2	26.7	35.4
Dakota	\$61,863	\$71,062	\$27,008	12.9	16.2	20.7
Dodge	\$47,437	\$54,261	\$19,259	25.7	24.5	24.4
Douglas	\$37,703	\$46,250	\$18,850	31.6	32.5	41.5
Faribault	\$34,440	\$41,793	\$17,193	18.4	16.6	17.5
Fillmore	\$36,651	\$44,883	\$17,067	27.5	27.4	29.6
Freeborn	\$36,964	\$45,142	\$18,325	15.0	17.5	23.3
Goodhue	\$46,972	\$55,689	\$21,934	23.8	22.1	31.1
Grant	\$33,775	\$42,214	\$17,131	31.6	32.1	37.2
Hennepin	\$51,711	\$65,985	\$28,789	11.7	15.1	19.9
Houston	\$40,680	\$49,196	\$18,826	21.3	22.5	25.2
Hubbard	\$35,321	\$41,177	\$18,115	35.1	31.5	46.5
Isanti	\$50,127	\$55,996	\$20,348	23.4	22.7	31.6
Itasca	\$36,234	\$44,025	\$17,717	24.4	24.5	29.5
Jackson	\$36,746	\$43,426	\$17,499	22.3	17.9	19.5
Kanabec	\$38,520	\$43,603	\$17,741	31.9	22.4	38.3
Kandiyohi	\$39,772	\$48,016	\$19,627	20.8	20.8	30.7
Kittson	\$32,515	\$40,072	\$16,525	6.5	4.2	15.2
Koochiching	\$36,262	\$43,608	\$19,167	19.3	19.1	25.9
Lac qui Parle	\$32,626	\$41,556	\$17,399	16.1	23.2	29.3
Lake	\$40,402	\$46,980	\$19,761	32.6	29.0	33.4
Lake of the Woods	\$32,861	\$38,936	\$16,976	3.8	3.0	23.1
Le Sueur	\$45,933	\$53,000	\$20,151	27.7	24.7	31.7
Lincoln	\$31,607	\$38,605	\$16,009	26.8	22.5	28.3
Lyon	\$38,996	\$48,512	\$18,013	21.7	22.2	24.8
McLeod	\$45,953	\$55,003	\$20,137	19.8	21.0	22.3
Mahnomen	\$30,053	\$35,500	\$13,438	36.8	34.0	33.8
Marshall	\$34,804	\$41,908	\$16,317	23.5	23.6	29.9
Martin	\$34,810	\$44,541	\$18,529	9.9	14.9	25.4
Meeker	\$40,908	\$47,923	\$18,628	28.6	26.4	32.4

Minnesota county income, 1999 (continued from page 3)

	1999 median household income	1999 median family income	1999 Per capita income	Percent change in income 1989-1999, inflation-adjusted:		
				Median household	Median family	Per capita
Mille Lacs	\$36,977	\$44,054	\$17,656	25.6	24.9	33.8
Morrison	\$37,047	\$44,175	\$16,566	29.1	27.1	32.1
Mower	\$36,654	\$45,154	\$19,795	18.8	19.4	31.5
Murray	\$34,966	\$40,893	\$17,936	18.8	17.2	27.1
Nicollet	\$46,170	\$55,694	\$20,517	16.7	17.5	27.9
Nobles	\$35,684	\$43,076	\$16,987	19.8	16.8	20.5
Norman	\$32,535	\$41,280	\$15,895	18.0	20.4	23.1
Olmsted	\$51,316	\$61,610	\$24,939	10.5	9.9	18.5
Otter Tail	\$35,395	\$42,740	\$18,014	24.5	22.9	32.6
Pennington	\$34,216	\$43,936	\$17,346	22.2	24.0	28.2
Pine	\$37,379	\$44,058	\$17,445	35.9	29.9	40.9
Pipestone	\$31,909	\$40,133	\$16,450	18.6	14.5	26.1
Polk	\$35,105	\$44,310	\$17,279	19.9	20.3	30.5
Pope	\$35,633	\$42,818	\$19,032	36.4	36.5	54.9
Ramsey	\$45,722	\$57,747	\$23,536	9.9	11.4	15.9
Red Lake	\$32,052	\$40,275	\$15,372	23.9	23.4	32.1
Redwood	\$37,352	\$46,250	\$18,903	26.1	31.1	38.9
Renville	\$37,652	\$45,065	\$17,770	24.6	23.5	26.8
Rice	\$48,651	\$56,407	\$19,695	26.7	22.1	27.1
Rock	\$38,102	\$44,296	\$17,411	19.9	18.5	17.9
Roseau	\$39,852	\$46,185	\$17,053	18.5	17.6	27.8
St. Louis	\$36,306	\$47,134	\$18,982	16.1	16.6	23.6
Scott	\$66,612	\$72,212	\$26,418	25.8	26.8	32.7
Sherburne	\$57,014	\$61,790	\$21,322	23.4	21.3	25.0
Sibley	\$41,458	\$48,923	\$18,004	28.0	28.1	27.3
Stearns	\$42,426	\$51,553	\$19,211	18.8	20.6	27.4
Steele	\$46,106	\$53,981	\$20,328	16.2	15.0	20.5
Stevens	\$37,267	\$47,518	\$17,569	31.0	24.8	37.9
Swift	\$34,820	\$44,208	\$16,360	43.2	39.4	36.7
Todd	\$32,281	\$39,920	\$15,658	32.0	31.1	41.4
Traverse	\$30,617	\$39,655	\$16,378	13.7	23.1	27.7
Wabasha	\$42,117	\$50,480	\$19,664	20.2	21.5	27.7
Wadena	\$30,651	\$38,618	\$15,146	36.3	30.1	35.1
Waseca	\$42,440	\$50,081	\$18,631	21.1	19.5	24.7
Washington	\$66,305	\$74,576	\$28,148	15.8	19.5	24.4
Watonwan	\$35,441	\$42,321	\$16,413	21.4	18.0	18.7
Wilkin	\$38,093	\$46,220	\$16,873	27.2	24.0	28.6
Winona	\$38,700	\$49,845	\$18,077	15.0	18.3	23.0
Wright	\$53,945	\$60,940	\$21,844	24.2	27.0	32.7
Yellow Medicine	\$34,393	\$42,002	\$17,120	23.0	19.5	25.5

Note: Inflation factor is 1.297861

Sources: 1990 and 2000 census data

Minnesota cities with highest and lowest median household income, 1999

(Cities 1,000 or more population in 2000)

Highest incomes		Lowest incomes	
North Oaks	\$149,158	Menahga	\$22,232
Dellwood	\$129,136	Bagley	\$23,125
Deephaven	\$101,278	Park Rapids	\$23,628
Grant	\$98,228	Crosby	\$24,053
Shorewood	\$96,589	Aitkin	\$24,574
Minnetrista	\$90,347	Staples	\$25,208
Afton	\$89,095	Appleton	\$25,950
Medina	\$88,847	Mahnomen	\$26,000
Orono	\$88,314	Frazee	\$26,150
Victoria	\$86,772	Wells	\$26,463

Source: 2000 census

Scott (\$66,612), Washington (\$66,305), Carver (\$65,540) and Dakota (\$61,863) counties had the highest household incomes. All are fast-growing suburban counties offering newer, more expensive housing. Inside the Twin Cities area, Ramsey County, which includes St. Paul, was the only county with a median income under \$50,000, while Olmsted County (Rochester) was the only non-Twin Cities county with an income over \$50,000.

Among cities with over 1,000 residents, North Oaks had the highest median household income, \$149,158. The other leaders were Dellwood (\$129,136), Deephaven (\$101,278), Grant (\$98,228) and Shorewood (\$96,589). All are Twin Cities suburbs featuring high housing values.

Among cities of 1,000 or more population, growth in real household income ranged from a high of 79 percent in North St. Paul in Ramsey County to a low of -12 percent in Spring Lake Park, which is mostly in Anoka County.

The state's two largest cities, Minneapolis and St. Paul, both had real household income

growth – 15.5 percent and 12.7 percent respectively. While slightly below the state average, this trend supports other evidence showing something of an economic resurgence in the central cities.

The picture in suburban areas was mixed, but generally older, inner ring suburbs saw less income growth than rapidly-growing outer-ring suburbs. For example, median household income grew 0.5 percent in Brooklyn Center, 0.9 percent in Bloomington, 3.3 percent in Mendota Heights and 3.9 percent in Edina – all established inner-ring communities. In contrast, real incomes grew substantially in outer-ring suburbs such as Rogers (40.9 percent), St. Michael (43.3 percent) and Savage (26.9 percent). While the relationship between suburban population growth and income growth is imperfect, it is striking. Older suburbs often have a higher concentration of older residents, whose incomes are generally lower than those of working-age people. Newer suburbs offer new, larger houses that attract affluent young residents.

Minnesota cities with greatest gains and greatest declines in inflation-adjusted median household income, 1989 to 1999

(Cities 1,000 or more population in 2000)

Greatest gains (%)		Greatest declines (%)	
North St. Paul	79.4	Spring Lake Park	-11.6
North Branch	76.5	Spring Park	-7.5
Sandstone	61.6	Norwood Young America	-5.5
Benson	61.1	Plainview	-2.6
Oakdale	56.0	Mountain Iron	-1.5
Starbuck	55.2	Arden Hills	-1.5
Becker	48.9	Aurora	-1.3
Glyndon	48.0	Hector	-0.8
Hanover	47.5	St. Joseph	-0.7
Menahga	46.5	Sherburn	-0.7

Note: Inflation adjustment is 1.297861

Sources: 1990 and 2000 census

Family and per capita income grow

Trends in median family income and per capita income are similar to household income trends. In 1999, median family income in Minnesota was \$56,874, while per capita income was \$23,198. Family incomes are higher than incomes for all households because families – defined

as households with two or more related people – often include more than one earner. Per capita income is defined as income received by all households divided by the total population. Inflation-adjusted family income increased 18.7 percent between 1989 and 1999. The gain for per capita income was even greater, 24.2 percent.

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